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Programme budget for the biennium 2008-2009

First performance report on the programme budget for the biennium 2008-2009

Report of the Secretary-General*

Summary

The present report identifies adjustments in the level of appropriations required as a result of variations in costing parameters assumed at the time of the initial appropriation, unforeseen and extraordinary items and additional mandates that are best dealt with in the context of the present report under the arrangements endorsed by the General Assembly at its thirty-second session.

The revised requirements under the expenditure sections amount to $4,388.4 million, an increase of $180.8 million vis-à-vis the appropriation level approved in General Assembly resolutions 62/237 A and 62/245 (or $217 million more than the initial appropriation approved in December 2007). The revised estimate under the income sections amount to $526.9 million, an increase of $6.8 million. Consequently, net requirements amount to $3,861.5 million, an increase of $174.0 million.

* The present report is being issued at this time to reflect the latest data available.

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I. Introduction

1. The primary purpose of the first performance report, which is submitted in the first year of each biennium, is to identify adjustments required because of variations in the rates of inflation and exchange and in standards assumed in the calculation of the initial appropriations. This is in conformity with the recommendation of the Advisory Committee on Administrative and Budgetary Questions,[1] which was endorsed by the General Assembly at its thirty-second session.

2. The performance report also takes into account additional mandates approved by the General Assembly and the Security Council after the approval of the budget appropriation, unforeseen and extraordinary items that could not be deferred to the second year of the biennium and decisions of policymaking organs that are best dealt with in the context of the performance report.

3. A summary of the increased net requirements, totalling $3,861.5 million, follows:

(Thousands of United States dollars)

	Appropriation[a]	*Revised estimate*	*Increase*	
			Amount	*Percentage*
Expenditure	4 207 608.4	4 388 402.0	180 793.6	4.3
Income	520 077.7	526 860.5	6 782.8	1.3
Net requirements	3 687 530.7	3 861 541.5	174 010.8	4.7

[a] See resolutions 62/237 A and B and 62/245.

4. An explanation of the variations in the costing parameters assumed in the calculation of the initial appropriations is provided in chapter II, sections C to F, below. In addition, the following schedules and annexes provide the costing parameters used in the initial appropriation, the proposed revisions for the biennium 2008-2009 and their effect on budget sections, duty stations and major objects of expenditure:

(a) Schedule 1 contains the rates of exchange and inflation used in the initial appropriations for the biennium 2008-2009 and the rates now proposed in the present report;

(b) Schedule 2 contains information on the post adjustment multipliers used to calculate salaries for staff in the Professional and higher categories used in the initial appropriation, the actual post adjustment multipliers for 2008 promulgated by the International Civil Service Commission and the revised rates now proposed for 2009;

(c) Schedule 3 contains the actual United Nations operational rates of exchange against the United States dollar in effect at the various duty stations for the first 11 months of 2008;

[1] See *Official Records of the General Assembly, Thirty-second Session, Supplement No. 8* and corrigendum (A/32/8 and Corr.1).

(d) Schedule 4 contains information on the cost-of-living adjustments for staff in the General Service and related categories assumed in calculating the initial appropriation for the biennium 2008-2009, the adjustments actually effected in 2008 and revised assumptions for 2009;

(e) Annex I.A contains projected changes in the budget estimates by budget section and main determining factor;

(f) Annex I.B contains estimated additional requirements by duty station and main determining factor;

(g) Annex II contains the estimated increases or decreases in requirements by budget section and main object of expenditure;

(h) Annex III contains estimated increases or decreases in requirements for jointly financed activities and inter-organizational security measures by main determining factor;

(i) Annex IV contains the status of expenditures incurred under the regular budget for the biennium 2008-2009 as at 31 October 2008.

II. Expenditure sections

5. The changes required as a result of the factors mentioned above would yield an increase in expenditure of $180,793,600 for a total of $4,388,402,000 for the biennium. Details are as follows:

(Thousands of United States dollars)

Initial appropriation	4 171 359.7	General Assembly resolution 62/237 A
Additional appropriation	36 248.7	General Assembly resolution 62/245
Programme budget appropriation:	4 207 608.4	
(a) Unforeseen and extraordinary expenses	1 359.2	In respect of peace and security, the International Court of Justice and inter-organizational security measures in accordance with resolution 62/239
(b) Decisions of policymaking organs:		
Economic Commission for Africa Commitment Authority	—	Section IX of General Assembly resolution 62/238. See paragraphs 11-13 of the present report.
(c) Variations in budgetary assumptions		
Changes in exchange rates	63 015.0	Based on United Nations operational rates of exchange
Changes in inflation assumptions	103 819.2	Based on consumer price indices, post adjustment multipliers promulgated and actual versus budgeted cost-of-living adjustments
Adjustments to standard costs	6 620.3	Based on analysis of actual payroll data, common staff costs and staff assessment provisions
Vacancies	5 979.9	
Revised total	**4 388 402.0**	

6. In the context of the current session of the General Assembly, the Secretary-General has issued or is about to issue revised estimates and statements of programme budget implications in response to draft resolutions considered by the Main Committees. These amounts are being handled outside the first performance report but will be revised to reflect the costing parameters approved by the Assembly in the context of its consideration of the present report and, subject to the decisions of the Assembly, will affect the level of the revised appropriation.

A. Unforeseen and extraordinary expenses (increase: $1,359,200)

7. Under the terms of General Assembly resolution 62/239 on unforeseen and extraordinary expenses for the biennium 2008-2009, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, to enter into commitments to meet unforeseen and extraordinary expenses, provided that the concurrence of the Advisory Committee shall not be necessary for such commitments not exceeding a total of $8 million in any one year as the Secretary-General certifies relate to the maintenance of peace and security; such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by a number of situations in the Court as prescribed in paragraph 1 (b) of the resolution; and such commitments not exceeding a total of $1 million as the Secretary-General certifies are required for security measures.

8. Under the provisions of the resolution, commitments in the amount of $1,359,200 have been entered into as follows:

(a) Commitments certified by the Secretary-General as relating to the maintenance of peace and security ($1,159,200);

(b) Commitments certified by the President of the International Court of Justice as relating to unforeseen expenses in respect of the Court ($200,000).

9. Those expenses relate to budget sections 3, 5 and 7, as set out below.

1. Maintenance of peace and security ($1,159,200)

(United States dollars)

Section 3. Political affairs	
Special Envoy of the Secretary-General to the Niger	390 700
United Nations mediation on the border dispute between Equatorial Guinea and Gabon	148 100
Lebanon Independent Border Assessment Team	90 300
Department of Political Affairs/Office of Legal Affairs joint mission to Gabon and Equatorial Guinea	83 500
Subtotal	**712 600**
Section 5. Peacekeeping operations	
African Union-United Nations Panel established pursuant to Security Council resolution 1809 (2008)	446 600
Subtotal	**446 600**
Total, maintenance of peace and security	**1 159 200**

2. Unforeseen expenses relating to the International Court of Justice ($200,000)

Section 7. International Court of Justice ($200,000)

10. Pursuant to the provisions of paragraph 1 (b) (i) of General Assembly resolution 62/239 on unforeseen and extraordinary expenses for the biennium 2008-2009 and in accordance with the Statute of the International Court of Justice, commitments were entered into for additional requirements that arose in 2008 with respect to the designation of ad hoc judges (Statute of the International Court of Justice, Article 31) for the following cases:

(United States dollars)

Designation of ad hoc judges	
Application of the Convention on the Prevention and Punishment of the Crime of Genocide (Croatia v. Serbia)	80 000
Certain Questions of Mutual Assistance in Criminal Matters (Djibouti v. France)	120 000
Total	**200 000**

B. Decisions of policymaking organs

Construction of additional office facilities at the Economic Commission for Africa

Section 32, Construction, alteration, improvement and major maintenance ($1,090,000)
Section 33, Safety and security ($759,800)
Section 35, Staff assessment ($86,600)

11. By its resolutions 56/270 and 60/248, the General Assembly approved the construction of additional office facilities at the headquarters of the Economic Commission for Africa (ECA) in Addis Ababa at a total estimated project cost of $11,383,300. In accordance with the request of the General Assembly in resolution 60/248, the Secretary-General in his report on construction of additional office facilities at the ECA (A/62/487) provided information on the progress made in the implementation of the project since the issuance of his previous report (A/61/158). Further in paragraphs 15 (a) and (b), the Secretary-General sought approval of the revised project estimate of $14,333,100 and the authority to enter into commitments in the amount of $1,936,400 gross ($1,849,800 net) under section 32 ($1,090,000), section 33 ($759,800) and section 35 ($86,600) of the proposed programme budget for the biennium 2008-2009, offset by an equivalent amount under income section 1, to be reported, as necessary, in the context of the first performance report for the programme budget for the biennium 2008-2009.

12. In its related report (A/62/7/Add.11), the Advisory Committee on Administrative and Budgetary Questions recommended that the General Assembly approve the course of action proposed in paragraphs 15 (a) and (b) of the report of the Secretary-General on the construction of additional office facilities at the ECA. In its resolution 62/238, the General Assembly took note of the report of the Secretary-General and endorsed the related observations and recommendations of the Advisory Committee in its report.

13. It should be noted that owing to delays in the implementation of the project and the utilization of the commitment authority in the amount of $1,936,400 gross ($1,849,800 net), it is proposed to report the requirements arising from the commitment authority in the context of the second performance report for the biennium 2008-2009.

C. Changes in exchange rates (increase: $63,015,000)

14. The basis for recosting can be either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the operational rates in effect at the time of recosting (the latest rate). It will be recalled that, in its report on the accounts of the United Nations for the biennium ended 31 December 1995, the Board of Auditors recommended that budgetary assumptions relating to operational exchange rates be based on an averaging method instead of the latest available exchange rates.[2] However, the Secretary-General had indicated that it would not be advisable to predetermine whether the averaging method or the latest month should be used for budget forecasting and recosting and that such a decision should be taken at the time of each recosting. This was reported to the General Assembly and agreed to by the Advisory Committee on Administrative and Budgetary Questions,[3] which indicated that the Secretary-General should use such rates as would allow for the lowest estimates. In the present performance report, the exchange rate realized from January to November 2008 has been applied to 2008 and the November rate has been applied to December 2008. For 2009, the average operational rates of exchange experienced thus far in the biennium (the averaging method) has been applied for Port-of-Spain and Beirut and the November rate (the latest rate) has been applied for the rest of the duty stations so as to allow for the lowest estimate for each duty station in respect of requirements for the related currency. Adjustments resulting from actual experience in 2009 would be implemented in the second performance report.

15. The net increase of $63 million reflects the general weakening of the United States dollar in a number of operational rates experienced during the year to date as compared with those foreseen in the initial appropriation. The average rate experienced for 2008 based on January to November actual rates in respect of the Swiss franc was SWF 1.079 to the dollar, compared with an assumption of SWF 1.200 used in the initial appropriation. For 2009, the November rate of SWF 1.140 has been used in the performance report. This change has resulted in an increased requirement of $71.2 million. Figure I reflects the experience of the Swiss franc against the dollar from January to November 2008.

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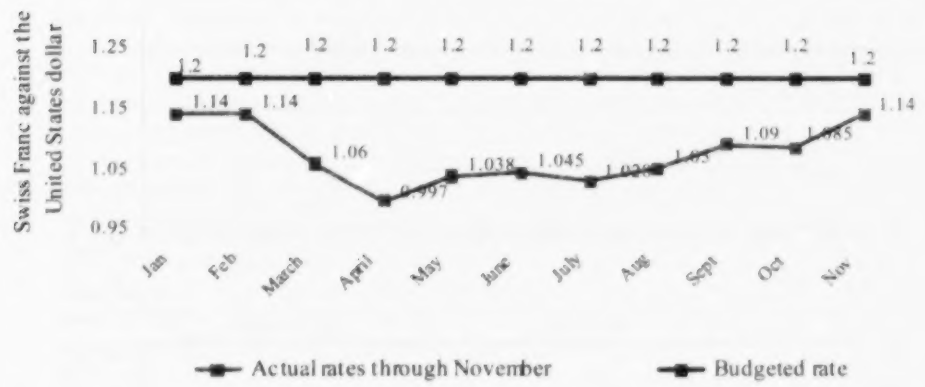
[2] Ibid., *Fifty-first Session, Supplement No. 5* (A/51/5), vol. I and corrigendum (A/51/5/Corr.1), chap. II, para. 110.

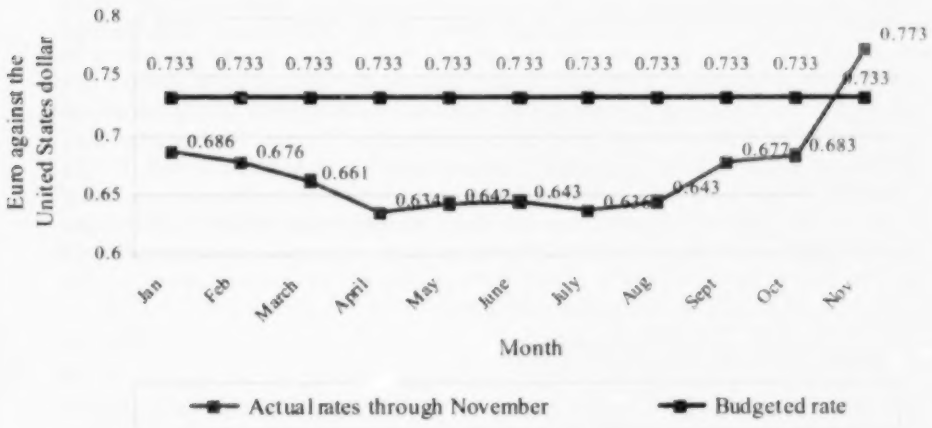
[3] Ibid., *Supplement No. 7* (A/51/7/Add.1-9), document A/51/7/Add.6, para. 5.

Figure 1
Performance of the Swiss franc against the United States dollar, 2008



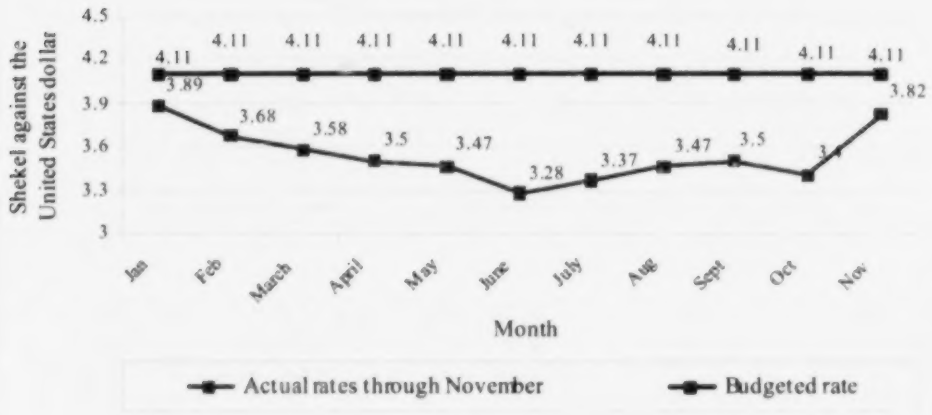
16. With respect to the euro, the realized 2008 average is €0.677 to the dollar, compared with an assumption of €0.733 used in the initial appropriation. For 2009, the November rate €0.773 has been used in the performance report, which has resulted in an increased requirement of $3.5 million. Figure 2 reflects the experience of the euro during the period from January to November 2008.

Figure 2
Performance of the euro against the United States dollar, 2008



17. With respect to the shekel, the realized 2008 average is 3.565 to the dollar, compared with an assumption of 4.11 used in the initial appropriation. For 2009, the November rate of 3.82 has been used in the performance report, which has resulted in an increase in requirements of $13 million. Figure 3 reflects the experience of the shekel during the period from January to November 2008.

Figure 3
Performance of the shekel against the United States dollar, 2008



18. In addition to the adjustments required for the Swiss franc, the euro and the shekel, increased requirements also relate to the Thai baht ($1.2 million), while a net reduction of approximately $26 million applies to all other currencies combined. Total net reduction of $26 million relates broadly to the Kenya Shilling ($9.1 million), the Chilean peso ($7.8 million) and the Ethiopian birr ($6.9 million). Owing to the recent appreciation of the United States dollar vis-à-vis other currencies, the November rate (the latest rate) has been applied for 2009 so as to allow for the lowest estimate in respect of requirements in accordance with established methodology. It should be noted that had the realized 2008 average rate been applied in the present recosting, the requirements as a result of adjustments to the rates of exchange would have been significantly higher. Details regarding operational rates at all duty stations are included in schedules 1 and 3. The schedules provide the actual operational rates through November 2008, the rate used in the initial appropriation and the rate used in the present report. Adjustments resulting from actual experience in 2009 will be reflected in the second performance report.

D. Inflation (increase: $103,819,200)

19. Schedules 1, 2 and 4 reflect revised inflation rates that affect all objects of expenditure. These are based on post adjustment multipliers that have been

promulgated and the latest available information on consumer price indices and actual versus budgeted cost-of-living adjustments.

20. Revised post adjustment multipliers used in the present report take into account updated cost-of-living information, including place-to-place surveys carried out or implemented subsequent to the approval of the programme budget for the biennium 2008-2009 in December 2007. Multiplier changes include adjustments of $22.3 million for New York, $10.2 million for Addis Ababa, $6.8 million for Nairobi, $2.7 million for Santiago, $2.3 million for Lebanon and $1.8 million for Bangkok. These amounts are offset by net downward revisions of $2.2 million for other duty stations. Consequently, the total net requirements arising from adjustments for inflation related to Professional posts across all duty stations amount to $43,897,000. Post adjustment multipliers applicable to the Professional and higher categories for all duty stations are contained in schedule 2.

21. With regard to the General Service and related categories, the revised requirements reflect actual cost-of-living adjustments experienced in 2008 and projections for 2009 based on the latest available information. The total required adjustment of $9,709,600 largely reflects adjustments of $7.3 million for New York, $2.8 million for Bangkok and $2.2 million for Addis Ababa, effective 1 August 2008, 1 February 2008 and 1 January 2008, respectively. These amounts are offset by net downward revisions of $2.7 million for other duty stations. The cost-of-living adjustments for staff in the General Service and related categories for all duty station are contained in schedule 4.

22. With regard to non-post objects of expenditure, the revised rates reflect upward adjustments across all duty stations, reflecting inflationary pressure driven largely by increases in local energy prices and utilities. Revised rates applicable to non-post objects of expenditure require an adjustment of $15 million for New York, $11 million for Addis Ababa and $4.5 million for Geneva. The total net increase in inflation requirements of $43,033,000 relates to all non-post objects of expenditure across all duty stations.

23. The total additional appropriation arising as a result of inflationary pressure across all objects of expenditure amounts to $103,819,200, including staff assessment requirements of $7,179,600, which would be offset by an equivalent amount under income section 1, Income from staff assessment.

E. Adjustments to standard costs (increase: $6,620,300)

24. Adjustments to standard costs reflect the net effect of changes in standard salary costs, common staff costs and staff assessment rates. Revisions to standard salary costs for 2008 are based on the actual averages experienced thus far in the biennium, by category and level, at each duty station. Projections for 2009 are based on the trends experienced in 2008. A net decrease of $7.6 million reflects average net base salary costs that are lower than had been projected in the initial appropriation.

25. Common staff costs are budgeted as a percentage of net salaries for each duty station. Expenditures under common staff costs relate to allowances and benefits, appointments, transfers and separation of staff. These relate to actual payroll experience for all duty stations during the biennium 2006-2007. Recommendations

of the International Civil Service Commission with regard to hazard pay and education grant have been absorbed within these overall adjustments, consistent with established practice in this regard. A net increase of $14.2 million relating to adjustments to the rates of common staff costs with respect to all duty stations is anticipated.

26. The adjustments to standard costs indicated above include staff assessment changes resulting in an increase in expenditures of $4.3 million, offset by an equivalent amount under income section 1.

F. Vacancies (increase: $5,979,900)

27. In its resolution 62/236, the General Assembly decided that a vacancy rate of 6.5 per cent for Professional and 3.5 per cent for General Service posts should be used as a basis for the calculation of the budget for the biennium 2008-2009. The application of these rates to continuing posts, together with the rates applied to new posts (50 per cent for Professional posts and 35 per cent for General Service posts), results in effective budgeted rates of 8.2 per cent and 4 per cent for those categories, respectively. Although the overall realized average vacancy rates can be known only at the end of the biennium, the experience to date reflects realized vacancy rates of 8.6 per cent for Professional posts and 3.2 per cent for General Service posts. While vacancy rates realized to date for Professionals slightly exceed those budgeted, a month-by-month analysis reflects a steady downward trend during 2008. Professional vacancy rates have trended downward, decreasing from 9.6 per cent in January to 7.2 per cent in September. General Service vacancy rates have also trended downward, declining from 3.5 per cent in January to 3.2 per cent in September with the average below the budgeted rate. Given the downward trend, and taking into account the experience of previous bienniums, a further reduction in realized vacancy rates is to be expected over the course of the second year of the biennium. Should this materialize, overall realized vacancy rates for the biennium may prove to be below those budgeted. This could result in expenditure requirements for posts exceeding budgeted provisions. However, at this time, no adjustments for vacancy rates for Professional and General Service posts have been proposed in the present report. The situation will continue to be monitored and will be reported in the context of the second performance report.

28. With regard to field security staff, in its resolution 62/236, the General Assembly decided that a vacancy rate of 27.2 per cent should be used as a basis for the calculation of the budget for the biennium 2008-2009. Although the overall realized average vacancy rates can be known only at the end of the biennium, the experience to date reflects realized vacancy rates of 5.3 per cent for Professional posts and 13.9 per cent for General Service posts. The adjustments to the 2008-2009 vacancy rates for field security staff would result in additional requirements of $25.5 million to be cost shared with other United Nations system organizations under the cost-sharing formula decided upon by the United Nations System Chief Executives Board for Coordination. Based on the current ratios as reflected in the annex to the report of the Secretary-General on "Measures taken to ensure the effective implementation of the arrangements in place for the sharing of costs for safety and security across the United Nations system" (A/62/641), the United Nations share would amount to $6 million, or 23.79 per cent of the additional requirements.

G. Other issues

29. In this section, specific issues raised in General Assembly resolutions and matters raised in accordance with established practices and procedures are addressed.

1. Human rights

(a) Measure to improve the geographical distribution of the Office of the United Nations High Commissioner for Human Rights

30. In paragraph 98 of its resolution 62/236, the General Assembly requested the Secretary-General to implement urgent measures to improve the balance in the geographical distribution in the Office of the United Nations High Commissioner for Human Rights (OHCHR), including through recruitment for newly established posts, and to report on the results achieved at its sixty-third session under the relevant agenda item.

31. Pursuant to that request, the Secretary-General has submitted a report on the measures to improve the balance in the geographical distribution of the staff in OHCHR (A/63/204), currently before the General Assembly under agenda item 123, Human resources. Further, it should be noted that under the same agenda item, the Assembly has before it four additional reports, namely, (i) on the composition of the staff of OHCHR (A/63/290); (ii) on measures to address the imbalance in the geographical distribution of the staff in OHCHR (A/61/823); (iii) the report of the Joint Inspection Unit on funding and staffing of OHCHR (A/62/845); and (iv) the comments by the Secretary-General on that report (A/62/845/Add.1).

(b) Subregional Centre for Human Rights and Democracy in Central Africa

32. In its resolution 62/221, the General Assembly requested the Secretary-General and the United Nations High Commissioner for Human Rights to provide additional funds and human resources within the existing resources of OHCHR to enable the Centre to respond positively and effectively to the growing needs in the promotion and protection of human rights and in developing a culture of democracy and the rule of law in the Central African subregion; and to report on the implementation of resolution 62/221.

33. It should be noted that in response to the request in that resolution, an additional provision totalling $520,100 was made in the context of the programme budget for the biennium 2008-2009, consisting of increased requirements under posts ($381,100) relating to the establishment of two posts (1 P-3 post and 1 General Service (Local level) post) and the conversion of three General Service (Local level) posts and one National Officer post, as well as increased non-post requirements ($139,000). The post and non-post resources are accommodated within the resources approved under section 23, Human rights, of the programme budget for the biennium 2008-2009.

34. The overall level of resources approved for the Centre under section 23, Human rights, of the programme budget for the biennium 2008-2009 amounts to $1,996,500. Of that amount, resources totalling $1,412,000 provide for the salaries and common staff costs of a total of nine posts (1 P-5, 1 P-4, 2 P-3, 1 National Officer and 4 General Service (Local level) posts). Non-post resources amount to

$584,500. In addition, the Centre is supported by extrabudgetary resources totalling approximately $365,000, as well as two associate experts.

2. Limited discretion for budgetary implementation authorized in General Assembly resolution 60/283

Section 2, General Assembly and Economic and Social Council affairs and conference management (decrease $2,164,600)
Section 17, Economic and social development in Africa (increase $215,800)
Section 20, Economic and social development in Latin America and the Caribbean (increase $25,500)
Section 21, Economic and social development in Western Asia (increase $8,300)
Section 23, Human rights (decrease $2,000,000)
Section 27, Public information (decrease $1,724,400)
Section 28A, Office of the Under-Secretary-General for Management (increase $3,050,300)
Section 28C, Office of Human Resources Management (increase $232,400)
Section 28D, Office of Central Support Services (increase $1,873,200)
Section 28E, Administration, Geneva (increase $21,700)
Section 28F, Administration, Vienna (increase $150,300)
Section 28G, Administration, Nairobi (increase $311,500)

35. In section III, paragraph 6, of its resolution 60/283, the General Assembly decided to authorize the Secretary-General, on an experimental basis, limited discretion for budgetary implementation for the bienniums 2006-2007 and 2008-2009, to enter into commitments of up to $20 million in each biennium for positions and non-post requirements for the purpose of meeting the evolving needs of the Organization in attaining its mandated programmes and activities. Amounts in excess of $6 million per biennium require the approval of the Advisory Committee on Administrative and Budgetary Questions pursuant to the provisions of section III, paragraph 8 (g), of the same resolution.

36. During the biennium 2008-2009, such authority has been utilized to address the continued funding of a dedicated project team to maintain the momentum and ensure the progress on major foundation tasks relating to the enterprise resource planning system ($3,484,800); and for the operational preparedness and business continuity in a protracted crisis of human influenza pandemic crisis ($2,422,200). Those requirements have been met through the utilization of potential savings identified under section 2, General Assembly and Economic and Social Council affairs and conference management, section 23, Human rights, and section 27, Public information.

(a) Influenza pandemic

37. In response to the potential of the virulent strain of avian influenza known as AH5N1 to cause a human influenza pandemic, the United Nations responded with a coordinated effort to meet the needs of Member States by establishing, in September 2005, a United Nations System Influenza Coordinator, who was tasked with developing and implementing a comprehensive unified strategy for the United Nations system globally on pandemic influenza prevention, preparedness and response, and with improving efforts to control avian influenza. The United Nations system gave renewed attention to its own organizational capacity to sustain

operations and protect staff in the event of a major and protracted pandemic influenza crisis by ensuring that viable business continuity and staff protection plans are in place.

38. At United Nations headquarters locations and the regional commissions, avian and human influenza coordinators or focal points were appointed to ensure that all duty stations completed pandemic crisis preparedness plans. The preparedness activities, which were validated through an external review, included (a) activities to maintain the continuity of critical United Nations functions and operations; (b) medical intervention and prevention; and (c) preparatory activities (capacity-building and training).

39. Resource requirements for these activities for the biennium 2006-2007 were met through the use of limited discretion for budget implementation provided for in resolution 60/283 and were reported in the context of the second performance report for the biennium 2006-2007 (see A/62/575, paras. 33-36).

40. In his report on revised estimates for the biennium 2008-2009 relating to the operational preparedness and business continuity in a protracted human influenza pandemic crisis (A/62/328), the Secretary-General sought from the General Assembly budgetary resources for the biennium 2008-2009 for activities pertaining to business continuity and operational preparedness. Having considered that report, the General Assembly, in section VII of its resolution 62/238, took note of the report, and requested for the sixty-third session "a comprehensive report on business continuity, including in the event of a pandemic, that is complimentary to and compatible with the wider enterprise resource planning and information and communications technology reform, and to include information on the status of implementation of measures taken in that regard". No resources were, however, approved for the biennium 2008-2009.

41. Pending submission of the report requested by the General Assembly, the Secretary-General identified budgetary requirements amounting to $2,422,200 to continue coordination activities and the preparedness plans for business continuity, including in the event of a pandemic. Those requirements were used for (a) coordination of the preparation and implementation of staff training plans and medical guidelines, and simulation exercises; (b) maintenance of the pandemic telecommuting infrastructure; (c) maintenance of the virtual meeting support infrastructure for the General Assembly and the Security Council; (d) setting-up of the virtual private network server; (e) content management of and infrastructure support for pandemic/emergency website for access by United Nations personnel and their dependants for preparedness and emergency-related information; and integrated business continuity planning; and (f) replenishment of Tamiflu oral suspension for paediatric use and regular Tamiflu capsules, and antibiotics required to treat pandemic-related infections, as well as the purchase of medical and office supplies. The distribution of the utilization of the discretion by section is contained in table 1 below.

(b) Enterprise resource planning system

42. With regard to the enterprise resource planning system, it would be recalled that in paragraph 4, section II, of its resolution 60/283, the General Assembly decided that IMIS would be replaced with a next generation ERP system or other comparable system, as the IMIS system was fast approaching the end of its useful

life, and the costs of maintenance and ongoing support to IMIS no longer matched the benefits staff and managers expect from the system.

43. The revised and updated report of the Secretary-General on information and communications technology entitled "Enterprise systems for the United Nations Secretariat worldwide" (A/62/510/Rev.1) set out the proposals and resource requirements for the ERP project. Any delay in the work owing to the lack of interim resources pending consideration of the reports of the Secretary-General on ERP systems would have placed the project at risk, notably prolonging and escalating the estimated cost of the project as well as increasing costs for maintaining the ageing IMIS system. Therefore, use was made of the authority granted to the Secretary-General in resolution 60/283 to meet the interim costs for six months, in the amount of $3,484,800, associated with major ERP project tasks, including the identification of system requirements, the ERP software evaluation and selection, the business process standardization, streamlining and re-engineering and adoption of best practices, change management and communications, and the development of a system implementation plan and detailed project cost estimates. Resources were used to fund project staffing, travel, services of consultants, and other operational requirements. The related redeployment of amounts utilized to address the ERP project needs is detailed by budget section in table 1 below.

Table 1
Distribution by section

	Secretary-General's limited discretion to enter into commitments		
Section	*Influenza pandemic*	*Enterprise resource planning system*	*Total limited discretion*
2. General Assembly and Economic and Social Council affairs and conference management	(422.2)	(1 742.4)	(2 164.6)
17. Economic and social development in Africa	215.8		215.8
20. Economic and social development in Latin America and the Caribbean	25.5		25.5
21. Economic and social development in Western Asia	8.3		8.3
23. Human rights	(2 000.0)		(2 000.0)
27. Public information	18.0	(1 742.4)	(1 724.4)
28A. Office of the Under-Secretary-General for Management		3 050.3	3 050.3
28C. Office of Human Resources Management	232.4		232.4
28D. Office of Central Support Services	1 438.7	434.5	1 873.2
28E. Administration, Geneva	21.7		21.7
28F. Administration, Vienna	150.3		150.3
28G. Administration, Nairobi	311.5		311.5
Total	—	—	—

3. Restructuring of the Office of Human Resources Management

44. The General Assembly, in its resolution 62/236, took note of the new organizational structure of the Office of Human Resources Management, which was submitted in the context of the proposed programme budget for the biennium 2008-2009. The new structure was planned to comprise the Office of the Assistant Secretary-General and four divisions, namely, the Policy and Strategic Planning Division, the Recruitment and Staffing Division, the Learning and Development Division and the Medical Services Division. As the staffing proposals, especially the post of a D-2 level Director of the Recruitment and Staffing Division, did not materialize as recommended by the Advisory Committee and endorsed by the General Assembly, further modifications to the organizational structure are required in order to ensure alignment with functional priorities and maximum support for the Secretary-General's human resources reform effort and an equitable division of accountability and responsibility among the approved posts.

45. The modified organizational structure of the Office of Human Resources Management would comprise (a) the Office of the Assistant Secretary-General, (b) the Human Resources Policy Service, (c) the Strategic Planning and Staffing Division, (d) the Learning, Development and Human Resources Services Division, and (e) the Medical Services Division. The modified organizational structure would enable the Office to exercise its overall authority for human resources management, generate maximum synergy among divisions, sections and units to provide better client services in the most effective and efficient way possible and innovate to meet new and evolving challenges in human resources management.

46. Major changes in this reconfigured structure include the following:

(a) The Planning, Monitoring and Reporting Service will be rejoined with the Staffing Service under the Strategic Planning and Staffing Division. Based on the significant importance being attached to workforce planning, which is at the top of the Secretary-General's human resources reform agenda and would be the main tool to predict and plan for future staffing needs, it is considered necessary to team the Planning, Monitoring and Reporting Service with the Staffing Service.

(b) The Human Resources Services (consisting of the current clusters, including the Overseas Offices Section) will be under the Learning, Development and Human Resources Services Division, the rationale being that this would provide a package of client services in the areas of career development, training, staff administration advice, and staff well-being. Taking into account the types of services that the current clusters provide, the Human Resources Service will be better suited in the Learning, Development and Human Resources Services Division in order to provide integrated services and advice to staff members.

(c) The Staff Counsellor's Office would join the Medical Services Division. It was originally created and situated in the Medical Services Division owing to the close association of personal confidential counselling services, and often concomitant medical consultation. Some years ago, the Staff Counsellor's Office was moved to the Learning, Development and Human Resources Services Division, and since that time a number of additional "non-counselling" and benefit-related functions were added. It has become clear that the functions related to personal and confidential staff counselling have greater synergy and relationship with the functions of the Medical Services Division, and would be more efficiently managed

and developed under the umbrella of staff health care, in the Medical Services Division. These include personal consultations and counselling, HIV/AIDS in workplace issues, alcohol and substance abuse issues, SOS programme, and training for stress management and critical incident management, and mission readiness and staff emergency fund. Functions related to benefits and human resources (i.e., visa assistance, immigration) will remain in the Learning, Development and Human Resources Services Division.

47. There are no changes in the level of post and non-post resources appropriated under section 28C, Office of Human Resources Management, for the biennium 2008-2009. The intent in the present case is to realign and redistribute the approved resources on a cost-neutral basis. Any changes or refinements to the approved strategic framework for the period 2008-2009 as may be required in order to reflect the realignment and redistribution of functions and outputs under various subprogrammes, and corresponding to the modified organizational structure of the Office of Human Resources Management will be submitted to the Committee for Programme and Coordination for its consideration at its forty-ninth session in 2009.

H. Summary

48. On the basis of the elements described in the present report, the revised level of resources requested for appropriation for the biennium 2008-2009 would be $4,388,402,000.

III. Income sections

Income section 1. Income from staff assessment

49. The changes described under the expenditure sections above and income section 3 below would result in an increase in income from staff assessment of $16,732,100.

Income section 2. General income

50. The decrease in general income of $10,195,900 largely reflects a projected decrease of $8,680,600 in interest income and a reduction of $1,587,000 in reimbursement for services provided to specialized agencies in the biennium 2008-2009. The adjustment to interest income results from the significant downward movement in interest rates experienced in 2008 and the envisaged continuation of such trend in 2009, amid the current worldwide financial crisis. The reduction of reimbursement for services provided to specialized agencies is due to the cessation of operations of the United Nations Compensation Commission in Geneva in 2008, eliminating such income.

Income section 3. Services to the public

51. The increase of $246,600 in net income under services to the public is attributable to an increase in the subscription fees for UN Comtrade for the year 2009, and a stable customer base observed; a better than anticipated performance by the United Nations Postal Administration; and the revision to the Capital Master Plan schedule, as a result of which the gift centre will continue operating in 2009

instead of being closed as earlier anticipated. While the present report includes required revisions to revenue estimates, expenditures are expected to remain consistent with budgeted levels. Any further changes to the level of revenues and expenditures, during the course of 2009, will be taken into account and reported in the context of the second performance report in accordance with existing practice.

52. In General Assembly resolution 60/248, the Secretary-General was requested to organize a guided tour operation at the United Nations Office at Nairobi and to report thereon in the context of the budget performance reports. Owing to a number of ongoing construction projects and related security enhancements at the United Nations complex in Nairobi, the guided tour operations have not yet commenced. It is anticipated that the guided tour operations will be implemented after the completion of the construction projects.

Summary

53. On the basis of the elements described above, the revised estimated income for the biennium 2008-2009 would be $526,860,500, as summarized below:

(Thousands of United States dollars)

Budget section	*Income estimate*[a]	*Projected change*	*Revised estimate*
Income section 1	470 397.5	16 732.1	487 129.6
Income section 2	47 946.9	(10 195.9)	37 751.0
Income section 3	1 733.3	246.6	1 979.9
Total	**520 077.7**	**6 782.8**	**526 860.5**

[a] Resolutions 62/237 B and 62/245.

IV. Action requested of the General Assembly

54. The General Assembly is requested to revise the appropriation for the biennium 2008-2009 as set out in paragraph 48 above and the related income estimates as set out in paragraph 53 above.

Schedule 1

Rates of exchange relative to the United States dollar and inflation included in the initial appropriation for the biennium 2008-2009 and in the present report, by main duty station

	Rates of exchange			*Rates of inflation applicable to non-post objects of expenditure (percentage)*			
		Performance report		*Initial appropriation*		*Performance report*	
Main duty station (currency)	*Initial appropriation*	*2008*[a]	*2009*[b]	*2008*	*2009*	*2008*	*2009*
Vienna (euro)	0.733	0.677	0.773	2	1.9	3.7	2.7
Santiago (Chilean peso)	520.750	508.750	655.000	4.3	3.1	8.8	6.4
Addis Ababa (Ethiopian birr)	9.040	9.528	9.710	14	10.4	41	15
UNMOGIP (rupee)	41.553	43.081	49.960	6.1	5.6	7.9	7.1
Beirut (Lebanese pound)	1 510.000	1 505.500	1 505.500	4	3.5	12	6
Gaza/UNRWA/UNTSO (shekel)	4.110	3.565	3.820	2.1	2.3	4.8	3.3
Nairobi (Kenya shilling)	66.888	68.586	80.150	7.4	6.5	25.5	7.6
Mexico City (Mexican peso)	10.980	10.951	13.100	3.8	3.4	5.3	6.2
The Hague (euro)	0.733	0.677	0.773	2	2	2.5	1.7
Bangkok (baht)	34.443	33.293	34.890	2.1	2.1	6.3	4
Port of Spain (Trinidad and Tobago dollar)	6.320	6.228	6.228	6.5	6.2	12	11.9
New York (United States dollar)	1.000	1.000	1.000	2.1	2.2	4.5	2.4
Geneva (Swiss franc)	1.200	1.079	1.140	1.3	1.7	2.6	1.5
United Nations information centres[c]	1.000	1.000	1.000	2.1	2.2	4.5	2.4

Abbreviations: UNMOGIP, United Nations Military Observer Group in India and Pakistan; UNRWA, United Nations Relief and Works Agency for Palestine Refugees in the Near East; UNTSO, United Nations Truce Supervision Organization.

[a] Average of United Nations operational rates of exchange, with actual rates to November 2008 and November rate used for December.

[b] Based on actual rates effective 1 November 2008. Actual November 2008 rates used except for Port of Spain and Beirut, where average actual rates were used from January to November 2008, with the November rate projected to December.

[c] Combined effect of inflation and exchange rate changes.

Schedule 2

Post adjustment multipliers for 2008 and 2009 applicable to staff in the Professional and higher categories

(Base 100 = multiplier 0)

	Initial appropriation		*First performance report*		*Monthly actual multipliers for 2008*											
Cost station	*2008*	*2009*	*2008[a]*	*2009*	*Jan*	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*
Vienna	159.6	161.0	168.9	155.0	165.0	167.2	170.7	177.3	177.3	177.0	178.8	177.0	169.0	167.6	150.0	150.0
Santiago	143.2	145.9	145.0	132.7	143.4	143.4	143.9	148.0	148.0	148.0	144.2	144.2	144.2	144.2	144.2	144.2
Addis Ababa	142.8	148.0	148.4	160.3	140.6	140.6	144.1	144.1	144.1	144.1	150.7	150.7	150.7	150.7	160.4	160.4
UNMOGIP	136.4	140.2	137.7	131.5	136.8	136.8	139.0	139.0	139.0	139.0	138.4	138.4	138.4	138.4	134.3	134.3
Beirut	140.2	142.9	147.5	152.0	140.7	140.7	142.4	142.4	147.7	147.7	150.6	150.6	150.6	150.6	153.0	153.0
Gaza/UNRWA/UNTSO	138.4	140.1	150.2	149.3	139.4	139.4	147.6	147.6	147.6	155.8	155.6	155.6	155.6	155.6	151.3	151.3
Nairobi	138.0	142.7	145.1	141.2	136.8	136.8	138.2	140.8	140.8	140.8	150.5	151.2	151.2	151.2	151.2	151.2
Mexico City	141.3	144.3	144.7	137.4	140.2	140.2	141.5	141.6	141.6	141.6	148.2	148.2	148.2	148.2	148.2	148.2
The Hague	155.8	157.6	167.6	152.1	162.3	164.5	167.9	174.4	172.4	172.2	173.9	172.1	171.0	172.1	153.9	153.9
Bangkok	138.8	140.7	144.7	144.3	137.7	137.7	144.6	144.6	144.6	144.6	147.5	147.5	147.5	147.5	146.2	146.2
Port of Spain	143.3	148.4	148.5	156.7	141.0	141.0	145.3	145.3	145.3	145.3	150.7	150.7	150.7	155.3	155.6	155.6
New York	163.1	166.5	166.2	170.6	161.8	161.8	161.8	161.8	161.8	161.8	161.8	172.5	172.4	172.4	172.4	172.4
Security field offices	140.9	144.0	144.5	144.6	144.5	144.5	144.5	144.5	144.5	144.5	144.5	144.5	144.5	144.5	144.5	144.5
Geneva	168.0	169.7	183.8	174.8	173.3	180.5	185.2	195.9	188.8	187.6	192.0	188.3	182.0	182.8	174.7	174.7
United Nations information centres	144.8	148.0	148.3	148.4	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3

Abbreviations: UNMOGIP, United Nations Military Observer Group in India and Pakistan; UNRWA, United Nations Relief and Works Agency for Palestine Refugees in the Near East; UNTSO, United Nations Truce Supervision Organization.

[a] Average of actual post adjustment multipliers to November and projected multipliers for December.

Schedule 3
Rates of exchange against the United States dollar for 2008, by duty station

Duty station	Initial appropriation	Performance report		Variance (percentage)		Monthly operational rates of exchange[a]											
	2008-2009	2008[a]	2009[b]	2008	2009	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Vienna	0.733	0.677	0.773	8.270	(5.170)	0.686	0.676	0.661	0.634	0.642	0.643	0.636	0.643	0.677	0.683	0.773	0.773
Santiago	520.750	508.750	655.000	2.360	(20.550)	490.000	460.000	459.000	440.000	445.000	470.000	492.000	492.000	515.000	532.000	655.000	655.000
Addis Ababa	9.040	9.528	9.710	(5.120)	(6.900)	9.200	9.220	9.300	9.480	9.520	9.560	9.590	9.650	9.670	9.730	9.710	9.710
UNMOGIP	41.553	43.081	49.960	(3.550)	(16.830)	39.460	39.360	39.750	40.340	40.170	42.820	42.890	42.260	43.800	46.200	49.960	49.960
Beirut	1 510.000	1 505.500	1 505.500	0.300	0.300	1 508.000	1 508.000	1 510.000	1 508.000	1 509.000	1 509.000	1 506.000	1 504.000	1 501.000	1 501.000	1 501.000	1 501.000
Gaza/ UNRWA/ UNTSO	4.110	3.565	3.820	15.290	7.590	3.890	3.680	3.580	3.500	3.470	3.280	3.370	3.470	3.500	3.400	3.820	3.870
Nairobi	66.888	68.586	80.150	(2.480)	(16.550)	63.000	70.420	69.150	62.750	62.380	62.100	64.200	66.850	68.600	73.280	80.150	80.150
Mexico	10.980	10.951	13.100	0.260	(16.180)	10.810	10.820	10.780	10.750	10.530	10.300	10.280	10.250	10.120	10.570	13.100	13.100
The Hague	0.733	0.677	0.773	8.270	(5.170)	0.686	0.676	0.661	0.634	0.642	0.643	0.636	0.643	0.677	0.683	0.773	0.773
Bangkok	34.443	33.293	34.890	3.450	(1.280)	33.690	33.090	32.390	31.410	31.770	32.260	33.570	33.500	34.070	33.980	34.890	34.890
Port of Spain	6.320	6.228	6.228	1.480	1.480	6.300	6.290	6.290	6.290	6.270	6.180	6.120	6.160	6.170	6.220	6.220	6.220
Geneva	1.200	1.079	1.140	11.210	5.260	1.140	1.140	1.060	0.997	1.038	1.045	1.028	1.050	1.090	1.085	1.140	1.140

Abbreviations: UNMOGIP, United Nations Military Observer Group in India and Pakistan; UNRWA, United Nations Relief and Works Agency for Palestine Refugees in the Near East; UNTSO, United Nations Truce Supervision Organization.

[a] Average of United Nations operational rates of exchange with actual rates through November 2006 and November rate used for December 2009.

[b] Based on actual rates effective 1 November 2008. Actual November 2008 rates used except for Port of Spain and Beirut, where average actual rates were used from January to November 2008, with the November rate projected to December.

Schedule 4
General Service salaries: changes in local currency terms
(Percentage)

Cost station	*Year*	*Rate of increase in initial appropriation (Previous year = 100)*	*Adjusted rates used in performance report*	*Increase (Previous scale = 100)*
Vienna	2008	2.00	0.48	
	2009	1.90	2.70	
Santiago	2008	4.30	2.54	
	2009	3.10	6.40	
Addis Ababa	2008	14.00	28.00	28.00 (1 Jan)
	2009	10.40	15.00	
UNMOGIP	2008	6.10	3.89	
	2009	5.60	7.10	
Beirut	2008	4.00	2.70	
	2009	3.50	6.00	
Gaza/UNRWA/UNTSO	2008	2.10	3.67	3.90 (1 Mar)
	2009	2.30	3.30	
Nairobi	2008	7.40	6.09	
	2009	6.50	7.60	
Mexico	2008	3.80	2.28	
	2009	3.40	6.20	
The Hague	2008	2.00	1.69	
	2009	2.00	1.70	
Bangkok	2008	2.10	10.66	8.40 (1 Feb)
	2009	2.10	4.00	
Port of Spain	2008	6.50	6.06	
	2009	6.20	11.90	
New York	2008	2.10	4.27	4.60 (1 Aug)
	2009	2.20	2.40	
Security field offices	2008	2.10	4.27	4.60 (1 Aug)
	2009	2.20	2.40	
Geneva	2008	1.30	0.42	0.50 (1 Mar)
	2009	1.70	1.50	
United Nations information centres	2008	2.10	4.27	4.60 (1 Aug)
	2009	2.20	2.40	

Abbreviations: UNMOGIP, United Nations Military Observer Group in India and Pakistan; UNRWA, United Nations Relief and Works Agency for Palestine Refugees in the Near East; UNTSO, United Nations Truce Supervision Organization.

Annex I

Projected changes in the budget estimates for the biennium 2008-2009

A. By budget section and main determining factor

(Thousands of United States dollars)

			Projected changes							
	Expenditure section	*2008-2009 appropriation*[a]	*Unforeseen and extraordinary expenses*	*Decisions of policymaking organs*	*Exchange rate*	*Inflation*	*Adjustment to standards*	*Vacancy*	*Total changes*	*Revised estimates*
1.	Overall policymaking, direction and coordination	89 215.8	—	—	491.3	2 259.7	360.6	—	3 111.6	92 327.4
2.	General Assembly and Economic and Social Council affairs and conference management	629 339.8	—	—	16 193.8	12 024.8	2 865.0	—	31 083.6	660 423.4
3.	Political affairs	527 240.8	712.6	—	1 591.3	2 350.9	207.9	—	4 862.7	532 103.5
4.	Disarmament	21 607.9	—	—	249.8	523.7	78.3	—	851.8	22 459.7
5.	Peacekeeping operations	101 412.7	446.6	—	4 747.0	1 512.8	(2 330.6)	—	4 375.8	105 788.5
6.	Peaceful uses of outer space	7 439.8	—	—	156.5	34.8	11.2	—	202.5	7 642.3
7.	International Court of Justice	41 200.4	200.0	—	1 159.2	2 692.7	(124.6)	—	3 927.3	45 127.7
8.	Legal affairs	46 069.0	—	—	96.6	1 153.3	389.3	—	1 639.2	47 708.2
9.	Economic and social affairs	158 384.8	—	—		4 791.5	1 685.7	—	6 477.2	164 862.0
10.	Least developed countries, landlocked developing countries and small island developing States	5 440.4	—	—		170.5	80.7	—	251.2	5 691.6
11.	United Nations support for the New Partnership for Africa's Development	11 641.9	—	—	(80.5)	531.4	36.0	—	486.9	12 128.8
12.	Trade and development	123 746.1	—	—	9 853.0	(686.1)	(482.7)	—	8 684.2	132 430.3
13.	International Trade Centre UNCTAD/WTO	28 099.8	—	—	2 773.9		—	—	2 773.9	30 873.7
14.	Environment	13 796.6	—	—	(837.2)	1 168.0	(67.6)	—	263.2	14 059.8
15.	Human settlements	20 520.8	—	—	(1 729.5)	2 092.7	(82.4)	—	280.8	20 801.6
16.	International drug control, crime and terrorism prevention and criminal justice	36 819.0	—	—	490.5	276.2	(9.8)	—	756.9	37 575.9
17.	Economic and social development in Africa	119 798.2	—	—	(5 444.2)	18 099.9	(5 319.2)	—	7 336.5	127 134.7

Expenditure section	2008-2009 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policymaking organs	Exchange rate	Inflation	Adjustment to standards	Vacancy	Total changes	Revised estimates
18. Economic and social development in Asia and the Pacific	83 926.4	—	—	871.0	4 473.0	1 436.9	—	6 780.9	90 707.3
19. Economic development in Europe	59 917.1	—	—	4 845.8	(425.6)	29.2	—	4 449.4	64 366.5
20. Economic and social development in Latin America and the Caribbean	104 445.0	—	—	(7 346.7)	4 201.2	180.2	—	(2 965.3)	101 479.7
21. Economic and social development in Western Asia	58 107.5	—	—	167.3	3 110.8	2 205.0	—	5 483.1	63 590.6
22. Regular programme of technical cooperation	50 951.4	—	—	250.0	3 631.1	—	—	3 881.1	54 832.5
23. Human rights	116 938.4	—	—	7 896.4	(74.3)	(15.7)	—	7 806.4	124 744.8
24. International protection, durable solutions and assistance to refugees	73 069.3	—	—	5 864.1	1 031.7	40.4	—	6 936.2	80 005.5
25. Palestine refugees	40 727.5	—	—	4 610.2	(1 014.4)	746.8	—	4 342.6	45 070.1
26. Humanitarian assistance	28 492.3	—	—	728.8	456.8	183.9	—	1 369.5	29 861.8
27. Public information	184 000.5	—	—	642.6	4 718.6	12.9	—	5 374.1	189 374.6
28A. Office of the Under-Secretary-General for Management	15 002.5	—	—		438.5	152.9	—	591.4	15 593.9
28B. Office of Programme Planning, Budget and Accounts	39 169.9	—	—		1 136.9	338.9	—	1 475.8	40 645.7
28C. Office of Human Resources Management	70 688.1	—	—		1 938.9	421.7	—	2 360.6	73 048.7
28D. Office of Central Support Services	236 300.1	—	—		7 992.2	768.0	—	8 760.2	245 060.3
28E. Administration, Geneva	112 185.0	—	—	9 067.2	795.6	(72.6)	—	9 790.2	121 975.2
28F. Administration, Vienna	39 019.8	—	—	581.4	350.1	(298.9)	—	632.6	39 652.4
28G. Administration, Nairobi	27 838.9	—	—	(2 429.5)	2 574.7	(341.9)	—	(196.7)	27 642.2
29. Internal oversight	35 997.7	—	—	40.4	1 154.2	290.4	—	1 485.0	37 482.7
30. Jointly financed administrative activities	11 459.3	—	—	280.3	715.8	—	—	996.1	12 455.4
31. Special expenses	97 011.6	—	—	1 129.9	2 231.2	—	—	3 361.1	100 372.7
32. Construction, alteration, improvement and major maintenance	58 782.6	—	—	339.0	3 077.8	—	—	3 416.8	62 199.4
33. Safety and security	197 169.3	—	—	657.9	5 128.0	(1 009.2)	5 979.9	10 756.6	207 925.9

Expenditure section	*2008-2009 appropriation*[a]	*Projected changes*							
		Unforeseen and extraordinary expenses	*Decisions of policymaking organs*	*Exchange rate*	*Inflation*	*Adjustment to standards*	*Vacancy*	*Total changes*	*Revised estimates*
34. Development Account	18 651.3	—	—	—	—	—	—	0.0	18 651.3
35. Staff assessment	465 983.1	—	—	5 107.4	7 179.6	4 253.6	—	16 540.6	482 523.7
Total	**4 207 608.4**	**1 359.2**	**0.0**	**63 015.0**	**103 819.2**	**6 620.3**	**5 979.9**	**180 793.6**	**4 388 402.0**

[a] General Assembly resolutions 62/237 A and 62/245.

B. By duty station and main determining factor

(Thousands of United States dollars)

		Projected changes							
Duty station	*2008-2009 appropriation*	*Unforeseen and extraordinary expenses*	*Decisions of policymaking organs*	*Exchange rate*	*Inflation*	*Adjustment to standards*	*Vacancy*	*Total changes*	*Revised estimates*
New York	2 204 387.8	1 159.2	—	—	49 001.3	13 035.8		63 196.3	2 267 584.1
Geneva	931 384.7	—	—	71 234.6	(642.6)	(251.3)		70 340.7	1 001 725.4
Vienna	181 338.3	—	—	2 307.4	2 090.2	53.6		4 451.2	185 789.5
Santiago	109 694.5	—	—	(7 793.0)	3 694.5	660.6		(3 437.9)	106 256.6
Addis Ababa	158 918.5	—	—	(6 880.0)	24 724.0	(5 911.9)		11 932.1	170 850.6
Beirut	79 257.0	—	—	210.5	3 744.1	2 888.2		6 842.8	86 099.8
Nairobi	114 343.4	—	—	(9 101.9)	9 378.9	(1 027.4)		(750.4)	113 593.0
Bangkok	116 834.8	—	—	1 145.9	6 311.4	2 328.2		9 785.5	126 620.3
Other	311 449.4	200.0	—	11 891.5	5 517.4	(5 155.5)	5 979.9	18 433.3	329 882.7
Total	**4 207 608.4**	**1 359.2**	—	**63 015.0**	**103 819.2**	**6 620.3**	**5 979.9**	**180 793.6**	**4 388 402.0**

Annex II

Estimated increases or decreases in requirements for the biennium 2008-2009, by budget section and main object of expenditure

(Thousands of United States dollars)

Expenditure section		*Salaries and common staff costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies and materials, furniture and equipment*	*Other*	*Total increase (decrease)*
1.	Overall policymaking, direction and coordination	2 247.8	374.1	2.1	105.9	92.3	24.4	265.0	3 111.6
2.	General Assembly and Economic and Social Council affairs and conference management	27 518.9	15.3	2.0	939.4	387.3	659.3	1 561.4	31 083.6
3.	Political affairs	3 885.7	456.4	1.3	20.6	430.4	68.0	0.3	4 862.7
4.	Disarmament	751.1	7.4	—	0.6	6.5	3.9	82.3	851.8
5.	Peacekeeping operations	3 633.6	136.2	—	2.5	456.5	147.0	0.0	4 375.8
6.	Peaceful uses of outer space	166.0	2.9	1.1	0.6	1.9	1.7	28.3	202.5
7.	International Court of Justice	3 138.8	1.7	13.1	11.0	736.2	26.5	—	3 927.3
8.	Legal affairs	1 484.0	67.9	14.8	24.3	21.6	15.6	11.0	1 639.2
9.	Economic and social affairs	6 190.3	116.7	17.7	33.0	72.9	27.3	19.3	6 477.2
10.	Least developed countries, landlocked developing countries and small island developing States	240.7	4.4	1.6	0.2	2.6	1.7	—	251.2
11.	United Nations support for the New Partnership for Africa's Development	458.7	10.4	5.7	4.9	5.9	1.3	—	486.9
12.	Trade and development	7 931.9	40.9	28.4	—	251.2	250.3	181.5	8 684.2
13.	International Trade Centre UNCTAD/WTO	—	—	—	—	—	—	2 773.9	2 773.9
14.	Environment	226.3	5.9	1.2	—	22.4	7.4	—	263.2
15.	Human settlements	201.9	6.9	7.3	0.8	42.9	21.0	—	280.8
16.	International drug control, crime and terrorism prevention and criminal justice	622.9	52.4	30.4	12.3	19.3	17.9	1.7	756.9
17.	Economic and social development in Africa	2 705.2	50.4	113.3	696.5	1 798.4	1 937.8	34.9	7 336.5
18.	Economic and social development in Asia and the Pacific	6 264.5	35.1	18.1	33.3	284.7	145.0	0.2	6 780.9
19.	Economic development in Europe	4 179.6	23.7	9.9	26.9	10.0	81.8	117.5	4 449.4
20.	Economic and social development in Latin America and the Caribbean	(3 208.5)[a]	40.9	17.2	64.5	62.5	58.1	—	(2 965.3)
21.	Economic and social development in Western Asia	4 868.3	13.7	7.7	99.0	299.5	159.9	35.0	5 483.1

Expenditure section	*Salaries and common staff costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies and materials, furniture and equipment*	*Other*	*Total increase (decrease)*
22. Regular programme of technical cooperation	3 513.3	118.0	—	1.8	7.7	13.7	226.6	3 881.1
23. Human rights	6 846.0	393.0	16.5	118.0	201.6	150.1	81.2	7 806.4
24. International protection, durable solutions and assistance to refugees	121.3	—	—	—	—	—	6 814.9	6 936.2
25. Palestine refugees	4 342.6	—	—	—	—	—	—	4 342.6
26. Humanitarian assistance	1 182.8	25.5	1.9	24.6	46.7	11.4	76.6	1 369.5
27. Public information	4 484.2	42.6	13.9	421.3	269.3	123.2	19.6	5 374.1
28A. Office of the Under-Secretary-General for Management	575.6	1.3	—	4.9	6.8	2.8	—	591.4
28B. Office of Programme Planning, Budget and Accounts	1 367.9	6.6	0.2	78.7	15.6	6.8	—	1 475.8
28C. Office of Humar Resources Management	1 658.3	17.1	1.1	616.6	42.2	25.3	—	2 360.6
28D. Office of Central Support Services	3 243.3	15.6	11.3	580.9	4 720.5	188.6	—	8 760.2
28E. Administration, Geneva	5 105.4	1.7	—	429.4	3 566.9	375.9	310.9	9 790.2
28F. Administration, Vienna	(59.6)[b]	0.8	—	23.7	167.8	69.3	430.6	632.6
28G. Administration, Nairobi	(650.8)[a]	0.5	—	17.9	377.1	58.6	—	(196.7)
29. Internal oversight	1 370.5	56.0	—	4.7	24.5	28.9	0.4	1 485.0
30. Jointly financed administrative activities	—	—	—	—	—	—	996.1	996.1
31. Special expenses	3 162.9	—	—	—	198.2	—	—	3 361.1
32. Construction, alteration, improvement and major maintenance	—	—	—	—	—	—	3 416.8	3 416.8
33. Safety and security	4 429.9	40.3	0.8	127.2	187.7	536.5	5 434.2	10 756.6
35. Staff assessment	16 540.6	—	—	—	—	—	—	16 540.6
Total	**130 741.9**	**2 182.3**	**338.6**	**4 526.0**	**14 837.6**	**5 247.0**	**22 920.2**	**180 793.6**

[a] Reflects net adjustments owing to variations in rates of exchange between the rates used in the present report and those foreseen at the time of the initial appropriation.

[b] Reflects net adjustments to the standards based on the actual averages experienced thus far in the biennium.

Annex III

Estimated increases or decreases in requirements for jointly financed activities and inter-organizational security measures (gross budget) for the biennium 2008-2009, by main determining factor

(Thousands of United States dollars)

		Projected changes						
	2008-2009 appropriation	*Unforeseen and extraordinary expenses*	*Exchange rate*	*Inflation*	*Adjustment to standards*	*Vacancy*	*Total changes*	*Revised estimates*
International Civil Service Commission	17 777.0	—	—	470.4	112.6	—	583.0	18 360.0
Inter-organizational security measures	200 126.1	—	398.7	4 354.3	(6 900.9)[a]	25 468.3	23 320.4	223 446.5
United Nations System Chief Executives Board for Coordination	5 141.2	—	214.1	61.7	19.3	—	295.1	5 436.3
Joint Inspection Unit	11 633.0	—	908.2	(74.3)[b]	(268.0)[c]	—	565.9	12 198.9
Total	**234 677.3**	**—**	**1 521.0**	**4 812.1**	**(7 037.0)**	**25 468.3**	**24 764.4**	**259 441.7**

[a] Largely reflects adjustments to the standards based on the realized common staff costs rate.
[b] Reflects adjustments to the post adjustment multiplier and cost-of-living.
[c] Reflects adjustments to the standards based on the actual averages experienced thus far in the biennium.

Annex IV

Expenditures incurred under the regular budget for the biennium 2008-2009 as at 31 October 2008

(Thousands of United States dollars)

Appropriation	—	4 207 608.4
Unliquidated obligations	131 730.9	—
Disbursements	1 770 929.4	—
Total expenditures		**1 902 660.3**
Uncommitted balance		**2 304 948.1**